

020 8489 0000

5 Nov 2004

FIRST SECTION 20 NOTICE – NOTICE OF INTENTION TO ENTER INTO A LONG TERM AGREEMENT
(Schedule 1 of the Commonhold & Leasehold Reform Act 2002)

Dear Leaseholder(s)

Leasehold Property Service Charge:**Leasehold address: xxxxxxxxxxxxxxxx, xxxxxxxxxxxxxxxxxxxxxxxx, xxxxxxxxxxxxxxxx****Long Term Agreement relating to: Estate Improvement works.**

I am writing to inform you that the Council, as your landlord, proposes to enter into the agreement/contract, details of which are given below. The Council is required to consult all leaseholders in the borough, in accordance with section 151 of the Commonhold and Leasehold Reform Act (2002). This is the first notice under the consultation procedure. The Council is required to provide you with the following information with regard to the proposed agreement.

- 1. Description of the agreement/contract.** The Council is proposing to enter into a borough-wide agreement in the form of a term contract to assist in the delivery of the Estate Improvement Programme. The Estate Improvement Programme provides for prioritised local area environmental works to improve the management and maintenance of estates/local areas for the benefits of the residents throughout the Borough. Estate improvement bids will be invited annually from Residents Associations and local Area Housing Managers. The estate improvement bids are subject to a competitive process. Each estate improvement bid must relate to a communal/shared area and provide benefits to the residents living in the estates/local areas. The estate improvement bid will normally fall under one or more of the following headings:

Description of the agreement/contract (Contd..)**Type of Work - Improvement****Expected Average
Scheme Cost**

(a) Bin chamber works / Estate Service officer's facilities	£ 10,000
<ul style="list-style-type: none"> - Alterations/ improvements to existing facilities. e.g. enlarging existing access opening. - Provision of new sheds/enclosures for bins where none exists. - Provision of new or improved bulk stores. - Installation of new or improved facilities for Estate Services officers. 	
(b) Play areas	£44,000
<ul style="list-style-type: none"> - Replacement of new or improvement of existing play equipment. - Provision of new play area / equipment where none exists, including new fencing. - Replacement / improvement of existing fencing. - Provision of new or upgrade of existing ball game areas. 	
(c) Boundary treatment	£24,000
<ul style="list-style-type: none"> - Provision of new railing, fencing or other boundary treatment. e.g. brick walls, where none exists or repairs to existing and / or improvement to existing walls. 	
(d) Lighting improvement	£43,000
<ul style="list-style-type: none"> - Improvement to existing external/communal lighting. - Provision of additional external/communal lighting to improve Security. 	
(e) Landscaping works.	£23,000
<ul style="list-style-type: none"> - New turfing, seeding and planting of shrubs, trees and bulbs. 	
(f) Hard landscaping and paving	£21,000
<ul style="list-style-type: none"> - Repair / improvement to estate footpaths/roadways. - Tarmacking to provide car parking spaces. - Demolition of redundant structures to make way for better use of land e.g. demolition of pram sheds and garages. 	
(g) Security Works	£10,000
<ul style="list-style-type: none"> - Lighting improvements as indicated above - Provision of barriers and gates to restrict access, e.g. gates to ally ways And barriers to car parks. - Improvement and upgrading of exiting access. 	
(g) Improvement to internal shared areas	£15,000
<ul style="list-style-type: none"> - New flooring to communal staircases where none exists. - Repairs/improvement to existing flooring. - Improvement to chute rooms. e.g. provision of hopper covers, painting to walls and renewal of flooring. 	

The cost of these works are expected to range from £1,000 to £50,000 for an estate that participates in the scheme. The Council is looking to appoint a general building work contractor who is capable of carrying out a range of different works, as mentioned above,

including specialist works. This contractor will need to have the expertise both in planning the details of such works and also in their execution.

2. **Duration of contract.** It will be for a period of two years with an option to extend for a subsequent additional year.
3. **Reasons why the agreement is necessary.** It is necessary to provide adequate work capacity and Best Value solutions in relation to the Estate Improvement Programme. The Council under this contract is proposing to enter into a Partnering Arrangement with the successful main contractor. A Partnering Arrangement is one in which all the parties to the contract, in consultation with the residents, work in a collaborative and flexible way to achieve significant cost savings and maximise value for money (for the Council and its residents), over the duration of the contract.

The above proposal is a departure from the approach often adopted by the Council in the past, where a consultant was appointed in addition to a number of different contractors to carry out smaller individual contracts. Under the current proposals the Council will be working directly with one main contractor to carry out each individual piece of work, which is expected to result in greater efficiency and cost savings.

4. **Reasons for undertaking building works (qualifying works).** Under the terms of the agreement, the Council proposes to undertake building works relating to environmental improvements which may result in charges to leaseholders in excess of £250. It will be necessary to carry out these works for the following reasons. They will provide the opportunity for Residents Associations to initiate proposals and be actively involved in schemes aimed at improving their local environment. The local Area Offices in consultation with Council residents and members can also put forward proposals, which will be aimed at targeting local concerns.
5. **The value of this contract.** It is estimated to be up to £1,000,000 per annum for the total specified works in the Borough.
6. **Nomination of Contractor.** Under the new legislation, you have the right to propose a person or contractor you consider to be suitably qualified to submit an estimate for the works. If you wish to exercise this right you must submit your nomination (in writing) to this office within 30 days of the date of this letter. The Act contains rules as to the selection of a nominated contractor to tender for the works and these are given on page 2 of the enclosed *Explanatory Notes (Appendix A)*. You should also note that any person or contractor who submits an estimate for the works will have to be able to meet the requirements contained in Appendix B, as part of the normal vetting procedure. The Council will be seeking to appoint a contractor with the required skills and resources in place to deliver the objectives as indicated above. The tender list will comprise of companies that are clearly able to demonstrate their understanding of Partnering and have the ability to meet the specified requirements. The final award will be made based on the cost and the quality of the service being offered.
7. **Observations.** You are also entitled to make written observations regarding these works. If you wish to do this, you must submit your comments to this office in writing to be received within 30 days of this letter.

8. Address & due date for observations and nominations. The final date for the receipt of any observations or nominations is **07 December 04**. Where you wish to submit observations and/or nominations with regard to the proposals contained in this notice, please send them to me in writing at the address given below.

Home Ownership Team
13 – 27 Station Road
Wood Green
London
N22 6UW.

Further consultation - Second Section 20 Notice – Notification of Estimates

Upon receipt of the tenders/estimates, we will send you a second Section 20 Notice, which will provide you with a further opportunity to be consulted about the proposed agreement.

Cost of the works. As a leaseholder you will only be liable for a charge under this agreement if such works are undertaken to the building or estate in which your property is situated. Under the terms of your lease you will then be liable for a proportion of the cost of the works undertaken on your building or estate.

Explanatory Notes. I enclose some explanatory notes on the new Section 20 procedures, which we have prepared. These cover each stage of the statutory consultation procedure and I hope you will find them helpful in understanding the background to the notices we send you.

Yours sincerely



Nesan Thevanesan
Home Ownership Team Manager

Enclosures:

1. Appendix A - Explanatory Notes on the Consultation Requirements (Schedule 1).
2. Appendix B – Evaluation criteria required for contractors.